



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB0231

Introduced 1/20/2009, by Rep. Chapin Rose

SYNOPSIS AS INTRODUCED:

205 ILCS 510/5 from Ch. 17, par. 4655
205 ILCS 510/7.7 new
30 ILCS 105/5.719 new

Amends the Pawnbroker Regulation Act. Provides that within 60 days after the date of notification by the Illinois State Police of acceptable digital standards, every pawnbroker must take a digital image of each customer pledging or pawning any goods, articles, or other things and every item pawned or sold to the pawnbroker. Sets forth definitions for the following: "Automated Pawn System", "point of sale data", and "reportable transaction". Requires every pawnbroker to transmit the point of sale data collected for every reportable transaction electronically from the pawnbroker's computer system to the Illinois State Police Automated Pawn System. Provides that in addition to any other fines and penalties imposed under applicable State and federal laws, a fine of up to \$200 may be imposed upon any person who pledges or pawns any stolen goods, articles, or other items to a pawnbroker and is subsequently found guilty of theft. Provides that moneys collected pursuant to the provisions concerning fines shall be deposited into the Automated Pawn System Reporting Fund and used for the purpose of administering and enforcing the Automated Pawn System reporting requirements. Amends the State Finance Act to create the Automated Pawn System Reporting Fund.

LRB096 00465 RPM 10471 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Pawnbroker Regulation Act is amended by
5 changing Section 5 and by adding Section 7.7 as follows:

6 (205 ILCS 510/5) (from Ch. 17, par. 4655)

7 Sec. 5. Record requirements.

8 (a) Except in municipalities located in counties having
9 3,000,000 or more inhabitants, every pawn and loan broker shall
10 keep a standard record book that has been approved by the
11 sheriff of the county in which the pawnbroker does business. In
12 municipalities in counties with 3,000,000 or more inhabitants,
13 the record book shall be approved by the police department of
14 the municipality in which the pawn or loan broker does
15 business. At the time of each and every loan or taking of a
16 pledge, an accurate account and description, in the English
17 language, of all the goods, articles and other things pawned or
18 pledged, the amount of money, value or thing loaned thereon,
19 the time of pledging the same, the rate of interest to be paid
20 on such loan, and the name and residence of the person making
21 such pawn or pledge shall be printed, typed, or written in ink
22 in the record book. Such entry shall include the serial number
23 or identification number of items received which bear such

1 number. Except for items purchased from dealers possessing a
2 federal employee identification number who have provided a
3 receipt to the pawnbroker, every pawnbroker shall also record
4 in his book, an accurate account and description, in the
5 English language, of all goods, articles and other things
6 purchased or received for the purpose of resale or loan
7 collateral by the pawnbroker from any source, not in the course
8 of a pledge or loan, the time of such purchase or receipt and
9 the name and address of the person or business which sold or
10 delivered such goods, articles, or other things to the
11 pawnbroker. No entry in such book shall be erased, mutilated or
12 changed.

13 (b) Every pawnbroker shall require identification to be
14 shown him by each person pledging or pawning any goods,
15 articles or other things to the pawnbroker. If the
16 identification shown is a driver's license or a State
17 identification card issued by the Secretary of State and
18 contains a photograph of the person being identified, only one
19 form of identification must be shown. If the identification
20 shown is not a driver's license or a State identification card
21 issued by the Secretary of State and does not contain a
22 photograph, 2 forms of identification must be shown, and one of
23 the 2 forms of identification must include his or her residence
24 address. These forms of identification shall include, but not
25 be limited to, any of the following: driver's license, social
26 security card, utility bill, employee or student

1 identification card, credit card, or a civic, union or
2 professional association membership card. In addition, in a
3 municipality with a population of 1,000,000 or more
4 inhabitants, if the customer does not have an identification
5 issued by a governmental entity containing a photograph of the
6 person being identified, the pawnbroker shall photograph the
7 customer in color and record the customer's name, residence
8 address, date of birth, social security number, gender, height,
9 and weight on the reverse side of the photograph. If the
10 customer has no social security number, the pawnbroker shall
11 record this fact.

12 A county or municipality, including a home rule unit, may
13 regulate a pawnbroker's identification requirements for
14 persons pledging or pawning goods, articles, or other things to
15 the pawnbroker in a manner that is not less restrictive than
16 the regulation by the State of a pawnbroker's identification
17 requirements for persons pledging or pawning goods, articles,
18 or other things. A home rule unit may not regulate a
19 pawnbroker's identification requirements for persons pledging
20 or pawning goods, articles, or other things to the pawnbroker
21 in a manner less restrictive than the regulation by the State
22 of a pawnbroker's identification requirements for persons
23 pledging or pawning goods, articles, or other things. This
24 Section is a limitation under subsection (i) of Section 6 of
25 Article VII of the Illinois Constitution on the concurrent
26 exercise by home rule units of the powers and functions

1 exercised by the State.

2 (c) A pawnbroker may maintain the records required by
3 subsection (a) in computer form if the computer form has been
4 approved by the Commissioner, the sheriff of the county in
5 which the shop is located, and the police department of the
6 municipality in which the shop is located.

7 (d) Records, including reports to the Commissioner,
8 maintained by pawnbrokers shall be confidential, and no
9 disclosure of pawnbroker records shall be made except
10 disclosures authorized by this Act or ordered by a court of
11 competent jurisdiction. No record transferred to a
12 governmental official shall be improperly disclosed, provided
13 that use of those records as evidence of a felony or
14 misdemeanor shall be a proper purpose.

15 (e) Pawnbrokers and their associations may lawfully give
16 appropriate governmental agencies computer equipment for the
17 purpose of transferring information pursuant to this Act.

18 (f) Within 60 days after the date of notification by the
19 Illinois State Police of acceptable digital standards, every
20 pawnbroker must take a digital image in the form of a color
21 photograph or a color video recording of each customer pledging
22 or pawning any goods, articles, or other things and every item
23 pawned or sold to the pawnbroker. Each digital image must be
24 electronically cross-referenced with the transaction to which
25 it is associated. The pawnbroker must inform the customer that
26 he or she is being photographed or videotaped by displaying a

1 sign of sufficient size to alert the customer in a conspicuous
2 place on the premises.

3 Each printed photograph must be at least 2 inches in length
4 by 2 inches in width and must be maintained in such a manner
5 that the photograph can be readily matched and correlated with
6 all other records of the transaction to which they relate. Each
7 photograph of a customer must include a clearly identifiable
8 facial image of the person who pawned or sold the item. Each
9 photograph of an item must depict the item accurately.

10 If a video photograph is taken, then the video camera must
11 focus on the person pawning or selling the item so as to
12 include an identifiable image of that person's face. Items
13 photographed by video must be accurately depicted. Video
14 photographs must be electronically referenced by time and date
15 so they can be readily matched and correlated with all other
16 records of the transaction to which they relate.

17 (Source: P.A. 91-608, eff. 8-19-99; 92-215, eff. 8-2-01.)

18 (205 ILCS 510/7.7 new)

19 Sec. 7.7. Automated Pawn System report.

20 (a) As used in this Section:

21 "Automated Pawn System" or "APS" means the initiative of
22 the Minneapolis Police Department developed by Gov-to-Gov
23 Solutions Consortium program to provide governmental and
24 regulatory entities a more effective means to manage the
25 regulation of their pawn and secondhand dealers and to enable

1 law enforcement agencies to share pawn and secondhand
2 transaction information electronically.

3 "Point of sale data" or "POS data" means the following: an
4 accurate account and description, in the English language, of
5 all the goods, articles, or other things pawned or pledged; the
6 amount of money loaned; the time of pledging the same; the rate
7 of interest to be paid on the loan; any information about
8 redemptions, extensions, and renewals of pawned items; the name
9 and residence of the person making the pawn, pledge, or sale;
10 digital images of each customer involved in a reportable
11 transaction and every item pawned, pledged, or sold; the serial
12 number of each item pawned, pledged, or sold; and the amount of
13 any fees as specified in Section 2 of this Act.

14 "Reportable transaction" means any transaction in which a
15 pawnbroker makes an advancement, loan, or payment to any person
16 pawning, pledging, or selling any property.

17 (b) Every pawnbroker shall transmit to the Illinois State
18 Police the POS data collected for every reportable transaction.
19 Upon notification by the Illinois State Police of acceptable
20 computer system standards, it shall be the duty of every
21 pawnbroker to transmit the POS data daily using the Automated
22 Pawn System Interchange File Specification. The POS data shall
23 be transferred electronically from the pawnbroker's computer
24 system to the Illinois State Police Automated Pawn System. All
25 required records must be transmitted completely and accurately
26 after the close of business each day in accordance with

1 standards and procedures established by the Illinois State
2 Police. Every pawnbroker must display a sign of sufficient size
3 in a conspicuous place in the premises which informs patrons
4 that all transactions are reported to the Illinois State Police
5 daily.

6 Any transaction that does not meet the Automated Pawn
7 System Interchange File Specification must be corrected and
8 resubmitted the next business day. If a pawnbroker is unable to
9 successfully transfer the required reports electronically,
10 then the pawnbroker must provide the Illinois State Police,
11 upon request, printed copies of all reportable transactions
12 along with the video tape for that date by noon of the next
13 business day. If the problem is determined to be in the
14 pawnbroker's computer system and is not corrected by the close
15 of the first business day following the failure, then the
16 pawnbroker must provide printed copies of the required reports
17 as detailed in this Section until the error is corrected. If
18 the problem is determined to be outside of the pawnbroker's
19 system, then the pawnbroker must continue to provide the
20 required reports in print format and resubmit all such
21 transactions electronically when the error is corrected.

22 (c) In addition to any other fines and penalties imposed
23 under applicable State and federal laws, a fine of up to \$200
24 may be imposed upon any person who pledges or pawns any stolen
25 goods, articles, or other items to a pawnbroker and is
26 subsequently found guilty of theft as defined in Section 16-1

1 of the Criminal Code of 1961. This additional amount shall be
2 assessed by the court imposing sentence and shall be collected
3 by the Circuit Clerk in addition to any other fines and costs
4 in the case. Each such additional penalty shall be remitted by
5 the Circuit Clerk to the State Treasurer for deposit into the
6 Automated Pawn System Reporting Fund. The Circuit Clerk shall
7 retain 10% of such penalty to cover the costs incurred in
8 administering and enforcing this Section.

9 (d) The Automated Pawn System Reporting Fund is established
10 as a special fund in the State treasury. Moneys collected
11 pursuant to this Section shall be deposited into the Fund and
12 used for the purpose of administering and enforcing this
13 Section.

14 Section 90. The State Finance Act is amended by adding
15 Section 5.719 as follows:

16 (30 ILCS 105/5.719 new)

17 Sec. 5.719. The Automated Pawn System Reporting Fund.